# SHIN

2001-2002 Annual Report

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# Letter of Transmittal

Regina, Saskatchewan
March 31, 2002

To Her Honour Lynda Haverstock
The Lieutenant Governor of the Province of Saskatchewan

I have the honour of submitting herewith the Annual Report of the Saskatchewan Health Information Network (SHIN) for the year ending March 31, 2002, including the financial statements duly certified by auditors for the corporation, and in the form approved by the Treasury Board, all in accordance with The Crown Corporations Act, 1993.



Honourable John Nilson,
*Minister of Health*

# Letter from the CEO

The past year was an important and exciting one for SHIN and its health sector partners. Through our collaborative efforts, we made significant progress toward a more integrated use of information technology in the health system.

We have often said the progress of SHIN is analogous to building a house. Before putting up the walls, doors and roof, a house must have a strong foundation.

During the first three years of SHIN development, the foundation was built through infrastructure development, consultations and pilot projects.

In 2001/2002, we focused our efforts on beginning work on a basic electronic health record – we are starting to build the walls of our house.

Saskatoon District Health, with assistance from SHIN, went live with SunRise Clinical Manager electronic patient record software in December 2001. The system provides ER physicians at St. Paul's hospital with immediate access to registration, lab result and transcription information for their patients.

SHIN and the five mid-size health districts continued to work toward implementing an Integrated Clinical System. The system was selected in November 2001 through an extensive procurement process involving more than 70 front line health workers and a Joint Steering Committee with representatives from the five districts.

SHIN and the Saskatchewan Medical Association are working on a desktop pilot project for physicians. This pilot will begin to provide physicians with electronic access to the important medical information they need to provide treatment.

As well, in 2001/2002 SHIN continued to expand the range of services and technical support offered to districts and agencies. The SHIN Help Desk now serves about 2400 users in 17 health districts, the Department of Family Medicine and the College of Physicians and Surgeons of Saskatchewan. SHIN is also now hosting nine applications, seven websites and four operating system environments for health districts and organizations across the province.

This work was accomplished through a number of joint committees with district and health agency partners. Using a collaborative approach, we identify the health sector's common information technology needs and priorities and use them to create a long-term vision for SHIN and the health sector.

# Letter from the CEO – Continued

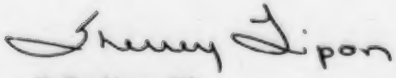
SHIN works through committees such as the Health Information Technology Steering Committee (HITS), the Network Architecture and Security Group (NAS), the Saskatchewan Medical Association Technical Group and the Major Players Group involving representatives from Saskatoon District Health, Regina Health District, the Information Technology Office, Saskatchewan Cancer Agency, Saskatchewan Health and SHIN.

On the national front, SHIN continued to work with the other western provinces and territories through the Western Health Information Collaborative (WHIC). A key initiative of WHIC is the Provider Registry project. This registry would eliminate the use of often out-dated and duplicate provider lists, which now exists in facilities and districts across the province. The project is a fundamental building block for an electronic health record.

In late 2001, WHIC members selected a vendor to design and build a provider registry application. British Columbia is leading the project, and SHIN has proposed that Saskatchewan be the second province to implement the system.

I want to thank the SHIN staff, the Board of Directors and all of our partners and stakeholders for their hard work and commitment to using informatics to improve health care services for Saskatchewan people. I look forward to another exciting and productive year of building in 2002/2003.





Shelley Lipon, CA
*CEO SHIN*

# SHIN Board of Directors

The SHIN Board of Directors is made up of stakeholder representatives from across the health sector and the general community. Organizations are listed below. Board members are pictured left to right.

**Front row:** Kelly Block – *Gabriel Springs Health District*, John R. Grossman, Board Chair – *Community Representative*, Brian Rourke, Board Vice-Chair – *Regina Health District*, Donna Brunskill – *Saskatchewan Registered Nurses Association*

**Back row:** Dean Ast – *Saskatchewan Pharmaceutical Association*, Rae Haverstock – *Saskatchewan Finance*, Lawrence Krahn – *Saskatchewan Health*, Dr. Dennis Kendel – *College of Physicians and Surgeons*, Dr. Rob Weiler – *Saskatchewan Medical Association*

**Missing:** Bonita Beatty – *Peter Ballantyne Cree Nation*, Robert Bundon – *Saskatoon Health District*

# SHIN Development

SHIN was initially created to address the need for effective and efficient services within the health sector. When work began on reforming Saskatchewan's health system in 1992, a province-wide health information system was identified as a requirement. It was recognized that as part of ensuring the sustainability of the health system, health providers and health systems from across the province needed a tool that would allow them to connect with each other.

In August 1997, Minister of Health Clay Serby announced the creation of a Treasury Board Crown Corporation called the Saskatchewan Health Information Network (SHIN).

The initial long-term vision for SHIN was to develop a province-wide electronic health record. However, the complexity of bringing the health sector to the point where information could be fed into an electronic health record was underestimated.

It quickly became very clear that for SHIN to be successful, health providers needed to be involved in the development of projects on an ongoing basis and at a grass roots level.

Subsequently, SHIN conducted extensive consultations with a broad range of health providers and stakeholders across the province. This exchange identified four key priorities that providers felt SHIN needed to address so that they could provide better care to their patients.

- Essential information about a patient is not available when they return to their community.
- Information about previous treatment plans is not available.
- Diagnostic test data is not available resulting in repetition of tests.
- Essential data is not available for emergencies.

The consultation process also revealed a significant information technology gap within the health sector. It became apparent that extensive work would be necessary to address this gap before the corporate vision could be reached.

SHIN began to work with health districts and Saskatchewan Health on building the base to support the technology required for a province-wide health information system.

Somewhat like building the foundation of a house before putting up the walls, SHIN invested in the design and development of a province-wide network infrastructure as the initial phase in the creation of a health information network. The network infrastructure developed included:

- a data centre;
- a help desk;
- a test lab;
- the first phase of district connectivity; and
- the first phase of security infrastructure development.

This investment in the infrastructure design and development positioned SHIN to offer common information technology solutions to the health sector thereby reducing duplicate costs, ensuring better communication, and providing an enhanced level of information technology support to health providers.

In 1998/99 SHIN began development of an e-mail system and a Help Desk for the health sector. The e-mail system makes it possible for networked users to communicate and transfer information electronically. As well, they have access to calendars and a common address list, they are able to schedule meetings and share information through the use of public folders, and the system provides enhanced security services.

# SHIN Development – Continued

The Help Desk provides network users with a place to call when they need help with their information system or if they are having trouble with a SHIN supported health care application. In addition, the Help Desk acts as an information source for users, providing them with regular updates on upgrade plans, maintenance schedules and other new developments. It also provides reports that enable managers to track problems with applications or hardware.

This infrastructure positioned SHIN to integrate a number of separate health information networks and begin adding services to the "foundation" which supports health providers.

In 1999/2000 SHIN began work with various stakeholder organizations to develop pilot projects that would build on SHIN's existing infrastructure, address one or more of the identified priorities, meet the needs of the stakeholder organization, and make progress toward SHIN's overall goal of developing a province-wide electronic health record.

All of these projects have contributed to developing SHIN's infrastructure as pre-requisite steps to addressing one or more of the top four identified stakeholder priorities. A stakeholder survey conducted in the spring of 2000 re-affirmed these to be the health sectors' top priorities.

Improving the health of residents of Saskatchewan through health information technology leadership.

Linking information electronically for better decisions.

# Sending Health Information Securely

Paramount to the success of SHIN is the assurance that the personal health information of Saskatchewan residents remains secure and is only accessible by care providers for treatment purposes on a need-to-know basis.

From the day it was established, SHIN has focused significant efforts and resources on developing a highly secure network infrastructure. SHIN will be using a mixture of measures to maintain the security of patient information. These measures include strong authentication, authorization, integrity, confidentiality, availability and accountability.

In 1999/2000 SHIN participated in a working group with the Canadian Institute for Health Information (CIHI) on the development of a highly secure telecommunications infrastructure called Public Key Infrastructure (PKI). PKI is a combination of policy and technology that provides the framework to implement and support SHIN security measures. This ensures that the transfer and storage of health information will be done securely, and will ensure compatibility with industry standards.

PKI has the potential to be the security infrastructure used by information networks across the country. SHIN is in the forefront of network security developments.

Policy will complement the implementation of new technologies around SHIN. Audit trails and other mechanisms will provide information regarding who accessed health records and when they were accessed.

Further, SHIN is working to ensure that an electronic health record works to better meet the health needs of Saskatchewan people.

SHIN has provided input into the development of the province's privacy legislation. The Corporation is working to ensure that all SHIN initiatives fully comply with provincial privacy statutes.

The legislation will govern how personal health information is collected and stored in electronic networks such as SHIN. It will also legislate that personal health information in any electronic health network including SHIN is shared between an individual's health care providers only on a need-to-know basis.

# Health Information Technology on the National Front

Nationally, there is much work going on in the area of health information systems. All provinces are in some way involved in the development of these systems. Recently there has been significant collaboration to reduce work duplication.

Since SHIN development got underway relatively early and has progressed in a measured and steady pace, Saskatchewan is now one of the provinces in the forefront of this development. SHIN is playing a key role in a number of important areas.

SHIN is a member of the Western Health Information Collaborative (WHIC), which includes representatives from Alberta, British Columbia, Manitoba, Saskatchewan, the Northwest Territories, Nunavut and the Yukon.



This Collaborative is working together on common areas of interest around health information initiatives. It is working to leverage federal and provincial resources and to facilitate the development of connecting infrastructures. Jurisdictions share the lessons they've learned on initiatives under development. Provinces are able to learn from the work of others, and move more quickly and cost-effectively, to workable solutions.

A major project currently underway is a Service Providers Registry. The goal is to develop a centralized provider registry to be used in each of the four western provinces. It will eventually contain key health-care provider data on all licensed and unlicensed health providers in the province.

All WHIC members have agreed to share the cost of development of a provider registry, reducing costs and enabling common design around electronic health information storage across jurisdictions.

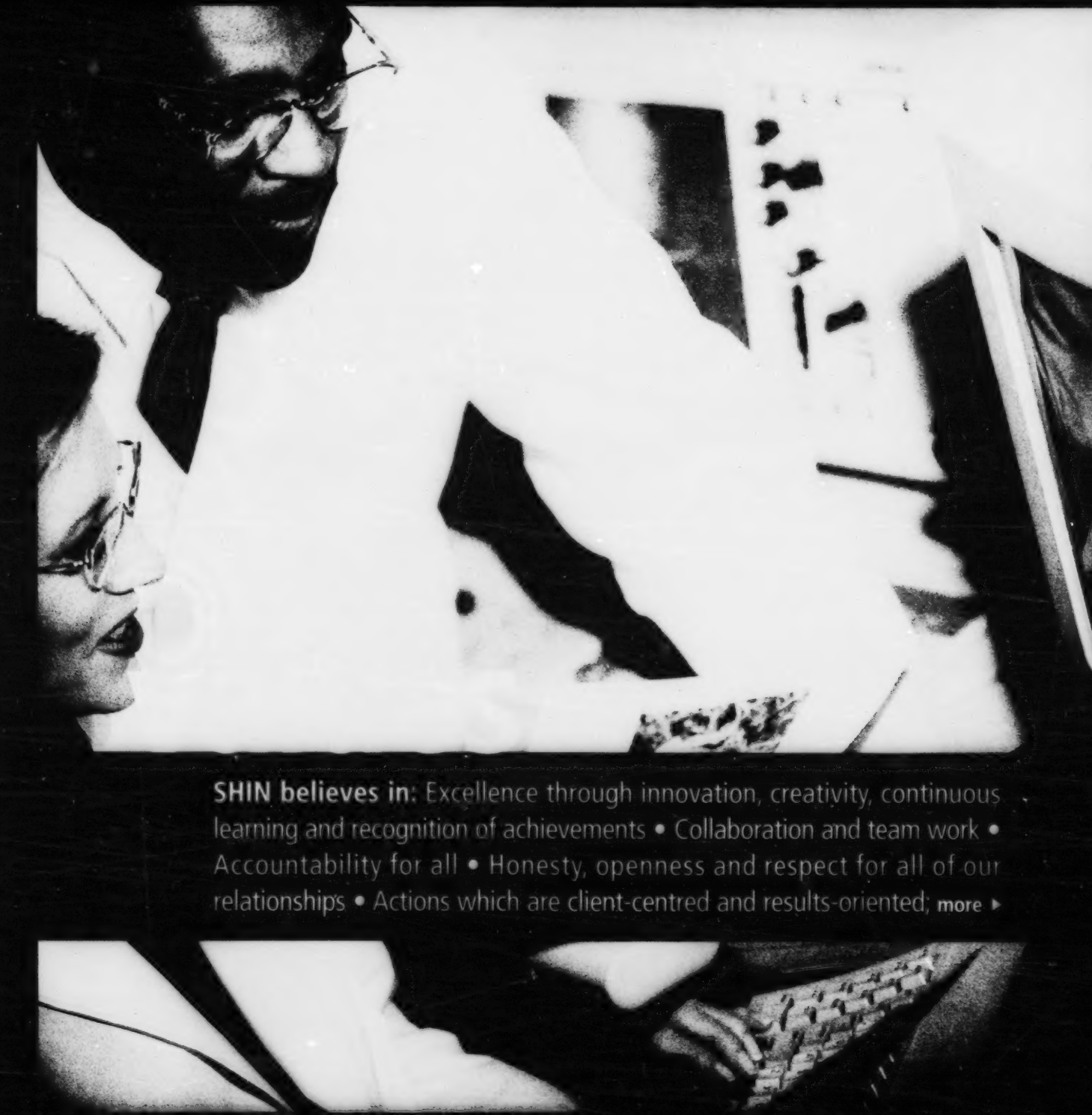
Late in 2001, WHIC members selected a vendor to design and build a provider registry application. Implementation will occur first in British Columbia. SHIN has requested to be the second province.

WHIC continues to focus its efforts around systems in the areas of tele-health, drug information, client registry, cancer screening registry, laboratory services and reciprocal billing.

In addition to WHIC, SHIN is working with other provinces on common areas of interest around health information initiatives. It is working to leverage federal and provincial resources and to facilitate the development of connecting infrastructures.

In 2000, the federal government established the Canada Health Infoway Corporation and committed $500 million to support electronic health record development nationally. Funding will be targeted to provinces that are working collaboratively on health information technology development. SHIN is well positioned to receive the benefits of this funding as a result of its work with WHIC.

SHIN will continue to ensure its development will remain in step with development in other provinces, and will work to keep development and implementation cost duplication to a minimum or, where possible, eliminate these costs outright.



**SHIN believes in:** Excellence through innovation, creativity, continuous learning and recognition of achievements • Collaboration and team work • Accountability for all • Honesty, openness and respect for all of our relationships • Actions which are client-centred and results-oriented; **more ▸**

**continued** ▸ The security of information and the privacy of individuals • Providing equitable access to information for its customers • Focusing on a phased or evolutionary process • and, Fostering development of information technology in the Saskatchewan health care sector.

# SHIN's 2002 Balanced Scorecard

## Financial

***Did the board exercise due diligence in financial oversight?***

| *Goal* | *Result* |
|---|---|
| • SHIN operates within the approved budget. | • SHIN operated with the overall budget. |
| • A statement of services is provided to customers. | • A statement was provided in Dec. and another will be provided in April. |

## Internal Business Processes

***What must we excel at?***

| *Goal* | *Result* |
|---|---|
| • Services are available 99% of the time. | • Service availability met or exceeded defined target levels. |
| • 80% of customers are satisfied. | • Survey indicated 93% of the Help Desk users are satisfied. |
| • 75% of projects are delivered on-time. | • 100% of the projects are delivered on time. |
| • 90% of projects are on-budget. | • 100% of the projects are delivered on budget. |

## Learning and Growth

***Can we continue to improve and create value?***

| *Goal* | *Result* |
|---|---|
| • Improve 6 key project management practices. | • Improvements were made in 6 areas. |
| • 80% of the users are satisfied. | • Survey indicated 93% of the Help Desk users are satisfied. |

## Stakeholders

***How do our stakeholders evaluate our projects?***

| *Goal* | *Result* |
|---|---|
| • 10 additional districts use Help Desk Services/ 25% more users. | • 10 additional districts added/110% more users. |
| • 100% of districts are connected to the network. | • 30/32 (94% ) health districts and 6 health organizations are connected. |
| • 75% of Pharmacies receive email/and or internet services. | • 55% receive email (190/343 Pharmacies). |

# SHIN's Progress on the Strategic Plan – Continued

## ▶ Protect the privacy of personal health information.

### What we planned

Develop improved systems and practices to protect the privacy of personal health information in the SHIN.

### What we did

- Worked with Saskatchewan Health on a national Public Key Infrastructure (PKI) pilot project with Health Canada and PEI to ensure cross-certification across jurisdictions is possible.
- Updated policies and practices as need arose.
- Worked on security framework standards using the ISO 17799 International Standard.

### What this means

- SHIN is taking a leadership role in the development of highly secure infrastructure for the health sector.

### What we planned

Maintain compliance with the systems and practices.

### What we did

- Created security framework and classification document with Saskatchewan Health.

### What this means

- SHIN and Saskatchewan Health will use a standard approach to deliver security and privacy of information.

### What we planned

Independent review of systems and practices report positive compliance.

### What we did

- Implementation is not yet at a stage for an independent review – internal review conducted to ensure compliance.

### What this means

- Independent review planned for future.

### What we planned

Stakeholders are confident that their personal health information is private and protected.

### What we did

- SHIN's CEO made presentations to health districts and agencies identifying progress and development plans for SHIN.

### What this means

- SHIN is providing information to health providers and gathering feedback which will be used to meet the needs of health providers.

# SHIN's Progress on the Strategic Plan

▶ **Reflect the priorities of the health system.**

### What we planned

SHIN has an improved knowledge of the priorities of the health system.

### What we did

- Maintained and participated in health sector information technology committees on a regular basis.
- Participated in inter-provincial and national health information technology committees.

### What this means

- Common work reduces duplicate efforts and duplicate spending.

### What we planned

SHIN has systems and practices to ensure projects reflect the priorities of the health system.

### What we did

- SHIN surveyed major stakeholders to confirm priorities.
- SHIN is a member of district led Health Information Technology Steering Group (HITS).
- SHIN worked with districts to develop a planning process for a provincial information technology plan.
- Participated in Western Health Initiative Collaborative.

### What this means

- Health sector priorities drives SHIN development.
- A common plan will ensure a more integrated health system in the longer term.

### What we planned

Our stakeholders know our actions reflect the priorities of the health system.

### What we did

- Developed and distributed newsletters on a quarterly basis.
- SHIN's CEO continued a presentation tour of health districts identifying SHIN's progress and development plans.
- Website was updated regularly.
- Fact sheets were made available to health districts and health agencies.
- 2000/2001 Annual Report was distributed to a broad range of stakeholders.

### What this means

- Health stakeholders and providers are better able to make informed suggestions about SHIN development.

# SHIN Projects – LIVE: Electronic Health Record at St. Paul's ER

**Dr. Terry Zlipko, Head of Emergency Medicine for SDH, and SDH Application Specialist Sylvia Sparks explore the new system.**



Saskatoon District Health began a live pilot of an electronic patient record system in the emergency room at St. Paul's hospital in December, 2001. SHIN assisted with the implementation and integration of the SunRise Clinical Manager software.

"The electronic record allows authorized health providers to have access to key information they need to treat their patients in a timely manner, at the point of care."

Jim Fergusson, *Saskatoon Health District CEO*

The electronic record patient provides emergency room physicians with immediate access to registration, lab results and transcription information on patients they are treating. As a result, physicians are better informed when treating their patients.

The system began capturing patient information in the spring of 2001. Patient records dating back almost a year were available when the system went live.

The system will be useful in treating patients because it allows physicians to view information before seeing the patient rather than waiting for a medical record. Ultimately, it has the potential to reduce the length of a patient's stay in the emergency ward and provide an integrated view of the patients health information which is not related to location.

"It allows you to gather information before seeing a patient rather than waiting for a medical record. It gives you a better picture before you see the patient."

Dr. Ling, *St. Paul's Emergency*

The following is an example of how the project benefits patients. The system enabled a physician in SDH Emergency to quickly treat a patient who had traveled to Saskatoon from La Ronge. The patient was diabetic and had left home without his medication, but could not remember the name of the medication.

The patient had been treated in Saskatoon the previous summer. The physician was able to call up the patient's record and through the transcription information, find a list of the medications he was taking.

The electronic record allows authorized health providers to have access to the key information they need to treat their patients in a timely manner at the point of care.

SHIN has added value to SDH's information management strategies through the role it played in assisting with the integration and implementation of the SunRise Clinical System software.

# SHIN Projects – Integrated Clinical System Selected

**CPI/Registration workgroup works on pre-implementation planning**

In 2001 SHIN and Saskatchewan's five mid-sized health districts accomplished an important milestone on the way to implementing an Integrated Clinical System. The system was selected through an extensive procurement process involving more than 70 front line health providers from across the province.

Initially, the system will integrate applications in registration, lab, pharmacy and home care allowing authorized health care providers to view a range of a patient's information in a common view.

Eventually, the integrated system will mean patients will only need to give their registration information once rather than having to register with each system individually as they move across the continuum of care.

It will give health care providers access to their patients' health record in a timely manner, allowing them to better understand their patients' overall health status and needs. Ultimately, it will assist health care providers in giving better care to their patients. The system will also reduce duplicate testing within facilities and across districts, saving patient and provider time as well as reducing overall costs to the health care system.

A Joint Steering Committee (JSC) comprised of senior representatives from the five districts including Swift Current, Moose Jaw-Thunder Creek, East Central, Battlefords and Prince Albert is driving the project. A rigorous procurement process began in late 2000 involving input from more than 70 front line health care workers and submissions from 11 vendors. In November 2001, a system was selected and pre-implementation work began.

The JSC agreed to fully implement the system in one district before moving to the next. It is anticipated it will be in place in one or two districts by summer 2003, and will be rolled out to the remaining districts in following years. Certain applications may be implemented individually in some districts during this time based on a business need.

All districts agreed to develop a common configuration for the integrated system. This will enable districts to have the system centrally hosted at SHIN, reducing implementation, maintenance and support costs. It will also assist in a better standardization of tests and processes across the province.

# SHIN's Progress on the Strategic Plan – Continued

## ▶ Manage our business effectively.

### What we planned

Adequate strategic management processes.

### What we did

- 2000-2001 Business and Financial Plan was approved by the SHIN Board.
- Progress tracked through corporate Balanced Scorecard.

### What this means

- Plan was implemented
- Balanced Scorecard will be used to measure the Corporation's progress in the future. It will also be used to identify areas that require change.

### What we planned

Adequate program management processes.

### What we did

- Continued annual performance evaluations.
- Maintained an adequate professional development plan.
- Maintained compliance with Capability Maturity Model (CMM) policies.

### What this means

- SHIN ensures project development links to priorities identified by health stakeholders
- SHIN ensures staffing make-up meets the need of the Corporation.
- Ensures SHIN is in compliance with established policies and procedures.

### What we planned

Our stakeholders know our work is done effectively.

### What we did

- SHIN's CEO continued a presentation tour of health districts identifying SHIN's progress and development plans.

### What this means

- Majority of SHIN stakeholders know what SHIN is currently doing and its long-term development plans. They also know how SHIN is measuring progress on those plans.

# SHIN's Progress on the Strategic Plan – Continued

## ▶ Improve access to information for the health system when it is providing service to the people of Saskatchewan.

### What we planned

Health system has an efficient and effective information systems infrastructure to meet its priorities.

### What we did

- Continued assisting with the development of CommunityNet.
- Expanded Help Desk services.

### What this means

- All communities will have better access to provincial health services.
- Health sector is better able to use IT to meet its service needs.

### What we planned

Foster the development and use of common integrated information systems with a client focus across the health system.

### What we did

- Went live with SunRise Clinical Manager in Saskatoon.
- Worked with districts to procure an integrated system for mid-sized districts.
- Developed Physician Desktop Project with the SMA.
- Expanded central hosting of MDS application to nine districts.

### What this means

- Enables providers to have relevant patient information quickly.
- Will enable providers to move patient information across the province.
- Application is consistent across the province.
- Assists providers in using MDS and reduces work duplication.

# SHIN Projects – SHIN Services Grow

***Support Analyst Trent Senft assisting a caller on the SHIN Help Desk. Analysts are available from 7:30 am – 5:00 pm Monday to Friday (except holidays).***



The SHIN network continued to grow in 2001/2002, and the Corporation provided more services to a growing number of agencies and users.

The SHIN network links 29 of Saskatchewan's 33 health districts, and all 380 pharmacies. This means staff in all districts and pharmacies are now able to communicate with each other quickly and easily in electronic format.

"Always extremely polite with those of us who don't always know how to explain our problems. Extremely competent individuals and very pleasant to deal with. Nothing is too trivial and they have a great deal of patience. This is excellent service!!!"

Judith Fleming,
*Manager of Laundry, East Central Health District*

SHIN expanded its Help Desk services, offering support to 2,400 users in 17 health districts, the College of Pharmacy and the Department of Family Medicine. SHIN provides initial or tier-one support to users on all office automation and hosted applications. This service enables local information technology staff to more effectively focus on their local workload rather than specific application issues.

SHIN's annual survey of Help Desk users indicates a high level of satisfaction with the service. Ninety-three per cent of respondents said they were generally satisfied with the contacts they had with the SHIN Help Desk. Eighty-one per cent rated their overall satisfaction with the Help Desk's response as excellent or good.

"I am very pleased with the Help Desk service. It sure saves time for the information technology personnel in our health district. There are so many little things that we used to bother them for in the past and now the SHIN people can help us out so quickly on the phone."

Mary Lee Booth,
*Psychology Dept, Moose Jaw-Thunder Creek Health District*

SHIN also centrally hosts four operating system environments and nine applications for agencies or districts including the MDS application accessed by nine districts and the Rise Health Suite application for the Prince Albert district.

SHIN also provides website hosting services for health districts and is currently hosting seven different sites.

SHIN will continue to expand its network and support services to meet the needs of its health sector partners, and will continue to strive for high levels of satisfaction among users of its services.

# SHIN Projects – Continued

**Physician Desktop Pilot** – SHIN and the Saskatchewan Medical Association collaborated on a desktop pilot project for physicians. The desktop could potentially integrate existing applications within a physician's office, provide electronic access to a range of knowledge-based tools, and over time will provide parts of his/her patient's records to the physician electronically. This pilot begins providing physicians with electronic access to important health information required in treating their patients.

**Drug Plan Network** – All of Saskatchewan's 380 urban pharmacies are now connected to Saskatchewan Health's Drug Plan application via the SHIN network.

The provision of network connectivity facilitates the electronic submission of adjudicated drug claims. It positioned SHIN to bring pharmacists on to the SHIN network, which enables them to communicate with other health providers using e-mail and the Internet.

**MDS Wireless/Portable Pilot** – SHIN, Saskatchewan Health and the Moose Jaw-Thunder Creek Health District completed a pilot project that enabled health care providers in long-term care facilities to conduct resident assessments using wireless, portable computers. Instead of using the paper form, staff was able to collect patient data in an electronic format. The intention of pilot was to reduce unnecessary work duplication and enable providers to spend more time with the residents.

**CommunityNet** – More than 140 health facilities are using CommunityNet to link them with other health facilities and districts across the province. CommunityNet provides health facilities with a high-speed, high-bandwidth network.

The network will enable many facilities to securely access important health care applications and services previously only available in larger centres. This will enable rural and urban healthcare workers to provide enhanced care to their patients at the point of service. SHIN is managing the funding and implementation of CommunityNet in the health sector.

**Department of Family Medicine** – SHIN is hosting and providing a number of services for the Department of Family Medicine. These services include e-mail and Internet access, access to office automation software, access to the Rise Health Suite, a practice management application, and access to Purkinje, an electronic charting application. SHIN also provided connectivity between the Department's clinics in Regina and Saskatoon.

This project enables the Department to develop standardized processes that assist in the teaching of physicians and reduces the Department's costs. It allows SHIN to assist physicians in learning how to use information technology to benefit their patients.

**Mother/Infant Care** – SHIN worked with the Prince Albert Health District to develop an electronic post-partum record. This record is e-mailed from the hospital to the public health nurse and ensures that information is quickly available to the appropriate care provider.

This project facilitates the rapid transfer of information between an acute care setting and a public health provider.

# SHIN Projects – Continued

**MDS/RUGS Hosting** – Shin provides a central hosting environment for health districts using the Minimum Data Set/Resource Utilization Groups (MDS/RUGS), an assessment tool for long-term care admissions. Nine districts access the application through the hosted environment.

This initiative is intended to assist district and providers in using a common application to provide consistent assessments. The centrally hosted application means that ongoing application maintenance issues are mainly handled through the SHIN Help Desk, reducing the demands on IT resources in smaller communities.

**Health Information Technology Steering (HITS) Committee** – SHIN has assisted in the creation of a committee made up of health district personnel and health organizations. This committee facilitates the exchange of technical information between districts and ensures that stakeholders are provided with regular updates on SHIN's progress.



This committee encourages collaborative work among health system stakeholders. It also ensures SHIN is kept informed of the health sectors information technology issues and needs.

**Network Architecture and Security (NAS) Committee** – SHIN has assisted in the creation of and chairs this committee made up of health district and health organizations information technology personnel. This committee provides recommendations to the Health Information Technology Steering committee (HITS) in a way that combines in-depth technical knowledge and investigative research so that information technology activities of the provincial Health System progress in a knowledgeable way.

This group brings together information technology personnel to share knowledge and experience in a large spectrum of technologies. With a vast knowledge base, NAS members have the ability to ask and respond to technical questions within their fields of expertise. We also have the ability to create working groups to develop technology standards that can be adopted across health care in Saskatchewan.

**Drug Utilization Review (DUR) Hosting** – SHIN is hosting this application for the College of Physicians and Surgeons of Saskatchewan (formerly called the Triplicate Drug Plan). The database is only accessible by the College. Using the database the computer scans for evidence of patients concurrently receiving narcotic or controlled drugs from three different physicians over a 30- day period. If such a pattern of drug utilization is detected, all of the prescribing physicians and dentists are notified through an alert letter.

This project eliminated the cost of manual drug tracking for the College of Physicians and Surgeons. The College plans to allow members to access the database to ensure appropriate physician drug utilization management.

**CT Scan Transmission Support** – CT Scan images are now being transmitted over the SHIN network from Prince Albert to Saskatoon.

This connectivity reduces the need for duplicate testing and delays in patient care when patients are transferred from Prince Albert to Saskatoon.

# Manager's Responsibilities

The accompanying financial statements included in the Annual Report for the year ended March 31, 2002, are the responsibility of management. Management has prepared these financial statements in accordance with Generally Accepted Accounting Principles in Canada, consistently applied using management's best estimates and judgements where appropriate.

The Board of Directors is responsible for overseeing the business affairs of the Corporation and also has the responsibility for approving financial statements. The Board fulfills these responsibilities by reviewing financial information prepared by management and discussing the relevant matters with management and external auditors.

Management maintains a system of internal controls to ensure the integrity of information that forms the basis of the financial statements. The internal controls provide reasonable assurance that transactions are recorded and executed in compliance with legislation and required authority, that assts are properly safeguarded and that reliable records are maintained.

The Provincial Auditor of Saskatchewan has audited the financial statements. His report to the Members of the Legislative Assembly appears preceding the financial statements.



Charlene Gavel, CA
*Chief Financial Officer*

Shelley Lipon, CA
*Chief Executive Officer*

# Auditor's Report

To the Members of the Legislative Assembly of Saskatchewan

I have audited the statement of financial position of the Saskatchewan Health Information Network as at March 31, 2002 and the statements of operations and accumulated surplus, cash flows and tangible capital assets for the year then ended. The Corporation's management is responsible for preparing these financial statements for Treasury Board's approval. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2002 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Regina, Saskatchewan
May 16, 2002

Fred Wendel, CMA, CA
Provincial Auditor

# **Statement 1** – Statement of Financial Position

**As of March 31, 2002** (THOUSANDS OF DOLLARS)

| | 2002 | 2001 |
|---|---|---|
| **FINANCIAL ASSETS:** | | |
| Due from General Revenue Fund (Note 3) | $ 4,422 | $ 1,952 |
| Accounts Receivable | | |
| Saskatchewan Health | 348 | 618 |
| Other | 184 | 68 |
| Note Receivable – SaskTel (Note 5) | 27 | 27 |
| Prepaid Expenses | 110 | 67 |
| Long Term Note Receivable – SaskTel (Note 5) | 61 | 62 |
| TOTAL FINANCIAL ASSETS | 5,152 | 2,794 |
| **LIABILITIES** | | |
| Accounts payable and accrued liabilities | 2,243 | 994 |
| Obligation to Saskatchewan Opportunities Corporation | 162 | 97 |
| Deferred Revenue (Note 9) | 450 | - |
| Current Portion of Obligations Under Capital Leases (Note 8) | 254 | 36 |
| Current Portion of Obligations Under Capital Leases with SaskTel (Note 5 and 6) | 110 | 73 |
| Obligations Under Capital Leases (Note 8) | 386 | 96 |
| Obligations Under Capital Leases with SaskTel (Note 5 and 6) | 292 | 283 |
| TOTAL LIABILITIES | 3,897 | 1,579 |
| **ACCUMULATED SURPLUS (STATEMENT 2)** | $ 1,255 | $ 1,215 |
| Accumulated Surplus represented by: | | |
| Accumulated Operating Results | 17,376 | 16,910 |
| Less Tangible capital assets (Statement 4) | (16,121) | (15,695) |
| | $ 1,255 | $ 1,215 |

*(See accompanying notes to financial statements)*

# Statement 2 – Statement of Operations and Accumulated Surplus

**For the year ended March 31, 2002** (THOUSANDS OF DOLLARS)

| | 2002 Budget | 2002 Actual | 2001 Actual (Note 10) |
|---|---|---|---|
| **REVENUE** | | | |
| Grants from Saskatchewan Health | $ 10,600 | $ 10,600 | $ 5,400 |
| Interest and other revenue | - | 1,405 | 982 |
| TOTAL REVENUES | 10,600 | 12,005 | 6,382 |
| **EXPENSES** | | | |
| Salaries and Benefits | 499 | 478 | 416 |
| Board Expenses | 41 | 41 | 28 |
| Purchased Services | 685 | 778 | 587 |
| Ongoing Operations | 4,000 | 3,486 | 2,620 |
| Amortization | | 5,475 | 2,714 |
| Accommodation Expense | 308 | 328 | 195 |
| Miscellaneous Expenses | 161 | 270 | 307 |
| CommunityNet | 750 | 683 | - |
| TOTAL EXPENSES | 6,444 | 11,539 | 6,867 |
| Operating Results | $ 4,156 | 466 | (485) |
| Net Decrease (Increase) in tangible capital assets (Statement 4) | | (426) | (250) |
| **INCOME (DEFICIT) FOR THE YEAR** | | 40 | (735) |
| **ACCUMULATED SURPLUS, BEGINNING OF YEAR** | | 1,215 | 1,950 |
| **ACCUMULATED SURPLUS, END OF YEAR (STATEMENT 1)** | | $ 1,255 | $ 1,215 |

*(See accompanying notes to financial statements)*

# **Statement 3** – Statement of Cash Flows

**For the Year ended March 31, 2002** (THOUSANDS OF DOLLARS)

| | 2002 | 2001 |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Income (Deficit) for the year | $ 40 | $ (735) |
| Changes in non-cash working capital balances: | | |
| Decrease in accounts receivable and prepaids | 112 | 1,405 |
| Increase (Decrease) in accounts payable and accrued liabilities | 2,318 | (82) |
| Increase (Decrease) in cash for the year | 2,470 | 588 |
| Due from General Revenue Fund, beginning of the year | 1,952 | 1,364 |
| Due from General Revenue Fund, end of the year | $ 4,422 | $ 1,952 |

*(See accompanying notes to financial statements)*

# **Statement 4** – Statement of Tangible Capital Assets

**As of March 31, 2002** (THOUSANDS OF DOLLARS)

| | 2002 | | | | | | | 2001 |
|---|---|---|---|---|---|---|---|---|
| | Desktop Computer Hardware | Computer Network Hardware | Desktop Computer Software | Licensed or Multiple Application Software | Office Furniture and Equipment | System Development Costs | Total | Total |
| Opening Cost | $324 | $3,633 | $386 | $6,353 | $3 | $9,033 | $19,732 | $17,484 |
| Additions During the Year | 26 | 67 | 273 | 418 | 19 | 4,248 | 5,051 | 2,478 |
| Disposals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (230) |
| CLOSING COST | 350 | 3,700 | 659 | 6,771 | 22 | 13,281 | 24,783 | 19,732 |
| Opening Accumulated Amortization | 221 | 1,208 | 244 | 0 | 1 | 2,981 | 4,655 | 2,038 |
| Annual Amortization | 105 | 727 | 131 | 2,151 | 0 | 2,019 | 5,133 | 2,641 |
| Disposals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (24) |
| Closing Accumulated Amortization | 326 | 1,935 | 375 | 2,151 | 1 | 5,000 | 9,788 | 4,655 |
| SUBTOTAL | 24 | 1,765 | 284 | 4,620 | 21 | 8,281 | 14,995 | 15,077 |
| Leased Capital Assets | | | | | | | | |
| Opening Cost | 25 | 410 | 0 | 0 | 257 | 0 | 692 | 0 |
| Additions | 18 | 640 | 0 | 0 | 192 | 0 | 850 | 692 |
| Disposals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| CLOSING COST | 43 | 1,050 | 0 | 0 | 449 | 0 | 1,542 | 692 |
| Opening Accumulated Amortization | 2 | 0 | 0 | 0 | 72 | 0 | 74 | 0 |
| Annual Amortization | 11 | 195 | 0 | 0 | 136 | 0 | 342 | 74 |
| Disposals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Closing Amortization | 13 | 195 | 0 | 0 | 208 | 0 | 416 | 74 |
| SUBTOTAL OF LEASED CAPITAL ASSETS | 30 | 855 | 0 | 0 | 241 | 0 | 1,126 | 618 |
| NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS | $54 | $2,620 | $284 | $4,620 | $262 | $8,281 | $16,121 | $15,695 |

*(See accompanying notes to financial statements)*

# Notes to the Financial Statements

## 1. DESCRIPTION OF BUSINESS

The Saskatchewan Health Information Network (SHIN) was established as a Treasury Board Crown Corporation by Order in Council 581/1997 under the provisions of *The Crown Corporations Act, 1993* (Act) effective August 19, 1997.

SHIN was created to design, implement, own, operate, and manage a Saskatchewan Health Information Network. SHIN's purpose is to foster the development of the health information technology sector, to foster re-engineering of health delivery processes and to protect health information as a strategic resource.

## 2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared using Canadian accounting principles appropriate for the public sector and reflect the following significant accounting principles.

a) The Basis of Accounting
The financial statements are prepared on the accrual basis of accounting.

b) Revenue
Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues.

c) Expenses
Expenses represent the cost of resources consumed during the year for operations. Expenses include provision for the amortization of tangible capital assets.

d) Tangible Capital Assets
Tangible capital assets are recorded at cost and are amortized over their useful life. Amortization is recorded, commencing with the quarter after the assets are placed into service, on a straight-line basis over their estimated useful lives as follows:

| | |
|---|---|
| • Desktop Computer Hardware | 3 years |
| • Computer Software | 3 years |
| • Network Hardware, Software & System Development Costs | 5 years |
| • Office Equipment | 5 years |
| • Office Furniture | 10 years |

e) Net increase in tangible capital assets
The net increase in tangible capital assets represents adjustments required to report the surplus (deficit) for the year on an expenditure basis.



## 3. DUE FROM THE GENERAL REVENUE FUND

SHIN's bank account is included in the Consolidated Offset Bank Concentration arrangement for the Government of Saskatchewan.

Earned interest is calculated and paid by the General Revenue Fund on a quarterly basis into the Corporation's bank account using the Government's thirty-day borrowing rate and SHIN's average daily account balance.

# Notes to the Financial Statements – Continued

## 4. MAINTENANCE AGREEMENTS FOR SOFTWARE

SHIN has several agreements with software vendors to provide maintenance for software that has been purchased by SHIN. The following amounts are committed for the following year and will likely continue into the future:

| | |
|---|---|
| Momentum Healthware: | $ 130,000 |
| Eclipsys: | $ 249,000 |
| Quoradx: | $ 27,000 |
| Entrust: | $ 18,000 |
| Computer Associates: | $ 80,000 |

## 5. AGREEMENT WITH SASKTEL:

On July 31, 2000, SHIN entered into a five year Master Service Agreement (MSA) with SaskTel to provide Data Centre Services. Under this agreement SaskTel houses and operates SHIN's Data Centre equipment. The committed costs related to Data Centre Services are $21,300 per month.

The equipment in the data centre is purchased by SaskTel and leased to SHIN. SHIN has recorded these as capital leases in its financial statements.

Upon inception of the lease, SaskTel purchased existing data centre equipment from SHIN and entered into a sales-lease-back arrangement. The net book value of the equipment transferred was $133,000. SaskTel is reducing the amount of SHIN's lease by $2,212 over 60 months to reflect the purchase of this equipment from SHIN. This has been included in the financial statements as a receivable from SaskTel.

The following leases for computer equipment are in effect, which expire concurrent with the MSA on July 31, 2005:

A 41 month lease with monthly payments of $450
A 52 month lease with monthly payments of $3,222
A 54 month lease with monthly payments of $2,179
A 56 month lease with monthly payments of $2,236
A 55 month lease with monthly payments of $1,174
A 60 month lease with monthly payments of $2,212

Minimum annual payments under leases on property and equipment over the next 5 years are as follows:

| | |
|---|---|
| 2003 | $ 137,676 |
| 2004 | $ 137,676 |
| 2005 | $ 137,676 |
| 2006 | $ 54,122 |
| Total Minimum Lease Payments: | $ 467,150 |
| Less Amount Representing Interest: | $ 65,375 (at 9.5% interest) |
| Balance of the Obligation: | $ 401,775 |

## 6. RELATED PARTIES

These financial statements include transactions with related parties. SHIN is related to all Saskatchewan Crown agencies such as departments, corporations, boards and commissions under the common control of the Government of Saskatchewan.

Routine operating transactions with related parties are recorded at the rates charged by those organizations andare settled on normal trade terms. In addition, SHIN pays Provincial Sales Tax to the Saskatchewan Department of Finance on all its taxable purchases. Taxes paid are recorded as part of the cost of those purchases.

Other transactions with related parties and amounts due to/from them are described separately in the financial statements and the notes thereto.

# Notes to the Financial Statements – Continued

## 7. FINANCIAL INSTRUMENTS

SHIN's financial instruments include due from the General Revenue Fund, accounts receivable, long-term note receivable, and accounts payable. The carrying amount of these instruments approximates fair value due. These instruments have no interest or credit risk.

## 8. LEASE ARRANGEMENTS

SHIN has several leases on property and equipment. The minimum annual lease payments for capital leases over the next four years are as follows:

Capital leases:

| | |
|---|---|
| 2003 | $ 73,200 |
| 2004 | $ 67,549 |
| 2005 | $ 33,467 |
| 2006 | $ 2,065 |
| Total Minimum Lease Payments: | $176,281 |
| Less Amount Representing Interest: | $ 21,860 (rates vary between 7.8% and 11%) |
| Balance of the Obligation: | $154,421 |

SHIN has entered into several 36-month lease agreements for network equipment for the CommunityNet initiative. The minimum annual lease payments for these capital leases are as follows:

Capital leases:

| | |
|---|---|
| 2003 | $ 222,589 |
| 2004 | $ 222,589 |
| 2005 | $ 87,692 |
| Total Minimum Lease Payments: | $ 532,870 |
| Less Amount Representing Interest: | $ 47,391 (rates vary between 6.5% and 8%) |
| Balance of the Obligation: | $ 485,479 |

Operating leases:

SHIN has entered into a lease arrangement with Saskatchewan Opportunities Corporation, a related party, for office space. The operating lease payments over the next 2 years are as follows:

| | |
|---|---|
| 2003 | $ 151,183 |
| 2004 | $ 151,183 |
| Total Lease Payments: | $ 302,366 |

SHIN also has an obligation to Saskatchewan Opportunities Corporation totaling $162,000 for leasehold improvements.

# Notes to the Financial Statements – Continued

## 9. DEFERRED REVENUE

SHIN received $450,000 from Saskatchewan Health to work on an early childhood development project.

## 10. COMPARATIVE INFORMATION

Certain 2000-2001 balances have been re-classified to conform with the current year's presentation.

**Saskatchewan Health Information Network**
**Payee List**
**For the year ended March 31, 2002**
**(Unaudited)**

## Supplier Payments

Listed are payees who received $20,000 or more for the provision of goods and services, including office supplies, communications, contracts, and equipment.

| | | |
|---|---|---|
| Brown Communication Group | $ | 25,268 |
| Compaq Canada Corp | | 34,422 |
| Computer Associates Canada Ltd. | | 113,736 |
| Eclipsys Corporation | | 124,400 |
| Entrust | | 45,620 |
| Executive Source | | 48,182 |
| GE Capital | | 233,782 |
| Lakeside Medical Clinic | | 30,000 |
| MacPherson, Leslie & Tyerman | | 199,365 |
| MediSolution | | 44,623 |
| Microdata Consulting Services | | 29538 |
| Ministry of British Columbia | | 177,275 |
| Momentum Health Information Systems | | 140,104 |
| Pacific & Western | | 56,098 |
| Paradigm Consulting Group | | 186,152 |
| Points West Consulting Inc. | | 38,063 |
| Provincial Treasury of Alberta | | 51,325 |
| Regina Health District | | 372,858 |
| Science Application International Corporation Canada | | 5,528,767 |
| Saskatchewan Oppprtunities Corporation | | 415,231 |
| Saskatchewan Property Management Corporation | | 580,715 |
| Saskatoon District Health | | 22,990 |
| Saskatchewan Telecommunications | | 1,461,787 |
| Sierra Systems | | 174,225 |
| Softchoice Corporation | | 240,354 |
| Technology Management Corporation | | 58,323 |
| Amounts under $20,000 (and personal service amounts listed below) | | 495,047 |
| Total | | 10,928,250 |

## Personal Services

Listed are individuals (excluding unionized employees)who received payments for salaries, wages, honorarium, etc. which total $2,500 or more.

| | |
|---|---|
| Block, Kelly | $ 4040.77 |
| Gavel, Charlene | 72,216.00 |
| Hutchison Hunter, Lori | 53,133.00 |
| Huynh, Lam | 13,549.00 |
| Kereluke, Terry | 50,512.00 |
| Lai, Alex | 4834.00 |
| Lipon, Shelly | 106,147.00 |
| Weppler, Cindy | 31,674.00 |
| Wilgosh, Cheri | 17,850.00 |
| Wilkinson, Virginia | 65,327.00 |